

THE EDITOR'S COMMENTS.

THE OUTLOOK FOR WHEAT.

An esteemed correspondent, writing from Richmond, Cache county, Utah, asks the following pertinent and important questions:

Editor Deseret News:

Are you in possession of any information regarding wheat markets? Can you tell with any degree of certainty anything about what will be the market price this fall? Can you tell where our outlet will be for our surplus wheat? The general impression here seems to be that wheat will rule very low in price.

For answers to and views upon all or any of these questions the columns of the NEWS are hereby opened to all who, from observation, study or experience, are in possession of information that would be of value to our Richmond correspondent and other wheat-growers and dealers throughout the mountain country. We are pleased to be able to open the discussion today with the views of Superintendent F. G. Webber of Z. C. M. I., an institution whose interests are so varied, whose experience is so ripe, and whose sources of information are so numerous and far-reaching that its utterances have come to be regarded as authority of the highest order. Colonel Webber says:

"At or about harvest is the most uncertain of all times in which to have decided ideas in regard to the probable price of wheat. The average of this year's yield in Utah, from the best information we can get, is that it is better than that of many years, and the query is natural, as to whether a good crop is not rather the product of a favorable season, than from any extra care or additional labor. In other words, we might ask if 25 per cent more grain is raised, is the grower as well satisfied with a lower price as he would be without that extra supply? Then if production is as abundant elsewhere, and prices rule low there, how can an outside market be available for this surplus?"

"Wheat has been sold in Chicago and New York at a lower price, within a week past, than during any previous period of record, 56 cents being the latest quotation per bushel. If Utah was shipping to Chicago, it would cost 50 cents per hundred pounds by the railroad, or 30 cents per bushel. That would only leave to the Utah shipper the ridiculous price of 26 cents per bushel.

"Nor, if we turn westward, is the outlook any richer in promises. Wheat is quoted in San Francisco at 92½ cents per hundred pounds. It would cost from Utah common points 38 cents per hundred freight, and the sacking for that market would cost 6 cents extra, so that the shipper would only realize, say 29 cents per bushel, or 3 cents in advance of Chicago prices.

"If our Sanpete farmers were to ship (being outside of what are called the 'common points'), 24½ cents per bushel is all they would realize—a dilemma to be avoided if it can be done.

"There is an obstacle also to shipping wheat, which is worthy of notice.

When wheat was seventy-five cents to one dollar per bushel, the railroads made the rate which prevails today. Now the pro rata is materially changed. If they could be induced to give a proportionate rate, it would look more fair; but to insist on a thirty cent per bushel rate on freight to Chicago and make wheat here take a competing price of twenty-six cents only is either an anomaly in the railroads or an effectual barrier to exportation.

"Thus completely barred from exportation, is there any nearer and more profitable demand? The people have been advised years ago to lay up grain, but the condition of the labor market has been such that but few have means now to invest in wheat, so as to make any special advance in price. Some have urged that instead of trying to export wheat at any time, it should be fed for beef, mutton or pork. The latter particularly has been suggested, inasmuch as we import large quantities of pork, hams and lard; and some outside farmers claim to have proven that such feeding will net \$1 per bushel at least for wheat. Moving up town we noted only today bran quoted at 85 cents per hundred. If this was roller mills bran, the price is out of calculation with its value, and chopped or crushed wheat would be altogether more profitable and better for feed.

"One other method of relief might be originated and systematized in this Territory. It would be new here, although familiar to all grain growing centers; that is the erection of storage grain elevators, where producers could deposit their crop and so save granaries and waste. These would need to be in the most central location of a county for shipping and milling. The receipts issued by the elevator company would pass current from hand to hand, finally reaching the storekeeper, the miller or other shipper. All the details of such an issue would have to be systematized, but with so secure a collateral as wheat, there can be no reason why this should not be a valuable and reliable adjunct to business and convenience in these days, in which so seriously marked by the scarcity of cash.

"The anxious farmer, and the more anxious storekeeper, will have to be patient in the interval or for a while. Some day, when we manufacture more largely of mine again, we shall have a home market, which, it has often been said, is 'the best market in the world.'"

THE FUNDING BILL.

Just how far it may be politic for the Salt Lake Chamber of Commerce to go in the matter of protesting against the passage of the Central Pacific funding bill is a matter for the gentlemen composing that organization to decide; and as we have no doubt they will pursue a consistent course, following neither a craven nor a rash policy on the question, we will not intrude any advice upon them. As to the arguments which the railroad managers present

in favor of the bill, however, their specious character is easily discernible upon examining the facts connected with the railway indebtedness.

There are two mortgages on the line that runs west from Ogden. The first is held by the Southern Pacific stockholders who control that corporation, and the other by the government. The holders of the first mortgage are the ones who want an extension on the Central Pacific debt to the government, which matures in about six years. If they waited to they could foreclose on their mortgage, and the only way the government could get anything at all would be by exercising the right of redemption. Why do they not take this course to gain full possession of the line? Simply because the road has depreciated in value below the figure of the first mortgage. This depreciation has been by the action of the holders of that bond, through the building of the Southern Pacific, the diversion of traffic to it from the Central Pacific, transfer of rolling stock from the latter to the former, and a persistent policy of building up the Southern at the expense of the line on which the government has a lien. The road therefore is not worth the first mortgage; but if taken under it would be subject to redemption by the junior mortgage.

There are two chief reasons for pressing the funding bill, which gives an extension of fifty years on the second mortgage. One of these is to prevent the line from falling into the hands of the government either by foreclosure when the second mortgage becomes due, or by redemption. In the present general clamor for government ownership of roads, either one of these methods of securing the Central Pacific to the United States is within the domain of probability. It would then become a competing line, antagonistic to the Southern Pacific, and consequently cut down the profits of the latter. The passage of the funding bill would defer this for half a century, which is a postponement sufficient for all purposes so far as the present railway managers are concerned. The other reason referred to for urging the bill is that the first mortgages may continue to reap what profits there are in the road, and at the same time have the government support which make the road valuable as a money-earner, while the government claim is falling back steadily. The funding bill, therefore, would be a very clever thing in behalf of the first mortgagees, but as a financial proposition the people of the United States, who are the government, would not be in it at all.

THE POTATO CROP.

Potatoes have been sold at a remarkably low figure in Utah this summer, and from this many have argued that the fall crop will bring such low prices that it will be barely worth gathering and placing on the market. If this should be the fact, it would be rather severe on the tuber-raisers, while the benefit to the consumer would not be sufficient, so far as the general welfare is concerned, to offset the loss to the agriculturist. Investigation into the general condition of the potato crop as